

## **REMARKS**

### **1. Status of Claims**

Claims 1 – 15 and 23 – 28 have been examined. Claims 1, 2, 5 – 10, and 26 – 28 stand rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Pat. No. 6,557,758 (“Monico”) in view of U.S. Pat. No. 6,398,109 (“Ohki”); Claims 3 and 4 stand rejected under 35 U.S.C. §103(a) as unpatentable over Monico in view of Ohki and further in view of U.S. Pat. No. 5,929,760 (“Monahan”); Claims 11 and 12 stand rejected under 35 U.S.C. §103(a) as unpatentable over Monico in view of Ohki and further in view of U.S. Pat. No. 5,776,278 (“Tuttle”); Claims 13 – 15 and 23 – 25 stand rejected under 35 U.S.C. §103(a) as unpatentable over Monico in view of Ohki and further in view of U.S. Pat. Publ. No. 2003/0057276 (“Appalucci”).

### **2. Summary of Claimed Subject Matter**

The claimed invention relates to the preparation of radio-frequency devices for distribution. The character of radio-frequency devices raises issues about their distribution to consumers that are not raised by more fungible types of goods. Fungible goods can simply be deposited into a container of some kind and shipped by placing a label on the container. But radio-frequency devices are individually associated with particular recipients so that some coordination of the shipping information with the identity of the specific device in the package is needed. In particular, radio-frequency devices may be used in the initiation of financial transactions so that it is important that the correct device be shipped to the correct recipient (*see generally* Application, p. 1, ll. 17 – 29).

There are other kinds of nonfungible products that are unique and that need to be delivered to the correct recipient. Conventional techniques appropriate to other types of unique

products have been used in distributing radio-frequency devices. In particular, each device is conventionally received in a package at a processing center, where it is removed manually, scanned to encode it with the unique information, replaced back in the package manually, and distributed (*id.*, p. 2, ll. 3 – 4). The process is slow and costly (*id.*, p. 2, l. 5).

The inventors have recognized that the process can be reconfigured to use a preparation device that has multiple stations in which one of the stations encodes the device through its packaging and at which another of the stations affixes the appropriate shipping label. In some instances, a third station can be used to perform a verification function. The electromagnetic nature of the encoding function is exploited so that the encoding is performed without removing the device from its packaging and the multistation arrangement simultaneously mitigates the risk of affixing the wrong label to one of the packages. The result is an automated process that avoids many of the drawbacks of a conventional approach that uses a significant manual component.

a. Independent Claim 1

Independent Claim 1 recites a method for automated preparation of radio-frequency devices for distribution. A plurality of the devices are received (*id.*, Fig. 2, block 212; p. 5, ll. 17 – 19). Each device comprises an embedded radio-frequency transponder (*id.*, p. 2, ll. 19 – 20). Each of the devices is moved sequentially to a plurality of stations of a preparation device (*id.*, Fig. 2, blocks 216 – 232; p. 5, ll. 25 – 27); *see id.*, Fig. 1 for an example of a structure of the preparation device). At a first station, a radio-frequency identification code is assigned to the device (*id.*, Fig. 2, block 216; p. 6, ll. 5 – 9). A recipient is identified for the device and a package containing the device is labeled with a mailing address for the recipient at a second station (*id.*, Fig. 2, block 232; p. 6, ll. 9 – 10; p. 6, ll. 28 – 31).

b. Independent Claim 23

Independent Claim 23 also recites a method for automated preparation of radio-frequency devices for distribution. A plurality of the devices are received (*id.*, Fig. 4, block 404; p. 7, ll. 21 – 22). Each device comprises an embedded radio-frequency transponder (*id.*, p. 2, ll. 19 – 20). A plurality of magnetic-stripe cards are also received (*id.*, Fig. 4, block 408; p. 7, ll. 21 – 22). Each magnetic-strip card has a magnetic-stripe identification encoded on it (*id.*, p. 7, ll. 25 – 26). Pairs of the radio-frequency devices and magnetic-stripe cards are move sequentially to a plurality of stations of a preparation device (*id.*, Fig. 4, blocks 416 – 440; p. 8, ll. 4 – 30). The radio-frequency device of each pair is encoded with a radio-frequency identification code corresponding to the magnetic-stripe card at one of the stations (*id.*, Fig. 4, blocks 416 – 424; p. 8, ll. 7 – 17). Each pair is then prepared at another of the stations for mailing to a recipient (*id.*, Fig. 4, block 440; p. 8, ll. 26 – 30).

c. Independent Claim 26

Independent Claim 26 also recites a method for automated preparation of radio-frequency devices for distribution. A plurality of enclosures are received that each hold a radio-frequency device (*id.*, Fig. 6, block 604; p. 9, ll. 13 – 15). Each of the enclosures is moved sequentially to a plurality of stations of a preparation device (*id.*, Fig. 6, blocks 608 – 620). At a first station, a radio-frequency code assigned to each device is encoded without removing the device from its enclosure (*id.*, Fig. 6, block 608; p. 9, ll. 26 – 30). A recipient for each device is identified and the enclosure is labeled with an address fro the recipient at a second station (*id.*, Fig. 6, block 620; p. 10, ll. 5 – 11).

3. Argument

To support a rejection under 35 U.S.C. §103, the Examiner is charged with demonstrating that all limitations of the claims are taught or suggested by the prior art (MPEP 2142) and with “identify[ing] a reason that would have prompted a person of ordinary skill in the relevant field to combine the [prior art] elements” in the manner claimed. *KSR International Co.*

*v. Teleflex Inc.*, 550 U.S. \_\_\_\_ at 15 (2007). In this instance, the Office Action relies on Monico for most of the limitations of the independent claims, citing Ohki for the proposition that stations at which different functions of a process like that described in Monico can be different.

The Office Action continues to assert that Monico discloses “sequentially moving each of the radio-frequency devices to a plurality of stations of a preparation device” in the form of boxes 10, 11, 12, and 13 of Fig. 1 (Office Action, p. 3). But as noted in the previous response, boxes 10, 11, 12, 13, and 17 of Fig. 1 are part of a flow diagram, merely indicating steps in a disclosed method for “simple, accurate and inexpensive shipping and tracking of a product” (Monico, Col. 2, ll. 65 – 67). Monico is explicit in describing these as “procedures,” such as in the paragraph at Col. 3, ll. 32 – 48 of Monico. Nothing in Monico suggests that these procedures are performed in anything but manual fashion, like the conventional prior art described in the Application at p. 2, ll. 1 – 4.

In relying on Ohki, the Office Action notes that the use of different stations is “conventional in automated packaging facilities where a physical distribution system maintains a high degree of secrecy” (Office Action, p. 4). This emphasis on a need for secrecy as a reason to prompt one of ordinary skill in the field to combine the references is misplaced. First, the different “stations” that the Office Action identifies as disclosed by Ohki are actually different parts of an entire distribution system: Ohki identifies “Trade A” as representing a source of goods, “Trade C” as a destination for the goods, and “Trade B” as a mechanism for conveying the goods from the source to the destination. These different “trades” manifestly do not correspond to “a plurality of stations of a preparation device.”

Indeed, Monico already discloses that “[i]n use, the packaged product is shipped by any suitable source, and at various locations (including the origin, destination and any transfer points)” (Monico, Col. 4, ll. 45 – 47). One of skill in the art presented with both references would, at best, identify the “origin” in Monico with “Trade A” in Ohki, identify the “destination” in Monico with “Trade C” in Ohki, and identify the “transfer points” in Monico with “Trade B” in Ohki. All that Ohki then adds to Monico is its disclosure of how to manage the shipment from

the origin to the destination with the transfer points while maintaining secrecy. This does not speak at all to preparation of devices for distribution from the origin.

Furthermore, the rationale for the combination based on secrecy is irrelevant to processes performed in preparing the devices for distribution. The concerns about secrecy that are described in Ohki arise as a result of shipment from the origin to the destination through a third-party intermediary (*see* Ohki, Col. 1, ll. 10 – 50). The potential for interception of information does not arise in this way by performing the preparation described in Monico, so there would be no reason for a person of skill in the art to modify Monico in the manner proposed.

For these reasons, each of the independent claims is believed to be patentable over the cited art, as are each of the dependent claims by virtue of their dependence from patentable claims.

### CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,

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